



Department of Veterans Affairs
Office of Small and Disadvantaged Business Utilization
Washington DC 20420

AUG 29 2008

In Reply Refer To: 00SB

HAND-DELIVERED

Ms. Fay Ott
Associate Deputy Administrator
Government Contracting and Business Development
U.S. Small Business Administration
409 Third Street, S.W.
Washington, DC 20416

Dear Ms. Ott:

This letter transmits the Small Business Procurement Scorecard Plan covering Fiscal Year 2009 for the U.S. Department of Veterans Affairs (VA). We look forward to working with your office in implementing the Scorecard's Plan and working toward our common goal of ensuring maximum practicable opportunities for America's small businesses.

Should you have any questions regarding our submission or require additional information, please contact Ms. Deborah Van Dover, Senior Procurement Analyst, VA Office of Small and Disadvantaged Business Utilization, telephone 202-461-4255.



Sincerely yours,

A handwritten signature in black ink, appearing to read "Scott F. Denniston", is written over the typed name.

For and in the absence of:

Scott F. Denniston
Director

Enclosures

| AGENCY FEB 2009 SCORECARD | FY2006 GOALS/ACHIEVEMENTS | | | FY2009 GOALS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|--|---------------------|----------|----|-------|-------|-----|---|------|------|---|------|---------|---|------|--------|---|------|--|--|------|----|-------|-----|---|------|---|---------|---|--------|---|--|
| Initiative 2009 SMALL BUSINESS PROCUREMENT PLAN Agency Lead: Wayne A. Simpson, Deputy Director, OSDBU Director Name: Scott F. Denniston Department of Veterans Affairs |  Color | <table border="1" data-bbox="546 178 945 464"> <thead> <tr> <th></th> <th>Goal</th> <th>Achieved</th> </tr> </thead> <tbody> <tr> <td>SB</td> <td>27.77</td> <td>29.45</td> </tr> <tr> <td>SDB</td> <td>5</td> <td>8.85</td> </tr> <tr> <td>WOSB</td> <td>5</td> <td>4.81</td> </tr> <tr> <td>HUBZone</td> <td>3</td> <td>3.28</td> </tr> <tr> <td>SDVOSB</td> <td>3</td> <td>3.39</td> </tr> </tbody> </table> GREEN STANDARDS ___ The agency must meet 100% of its small business goal, 100% of its 3 socio-economic goals, and make progress in the remaining goal. YELLOW STANDARDS ___ The agency must meet 90-99% of its small business goal, at least 1 or more socio-economic goals and make progress in the remaining goals. RED STANDARDS *Agencies that do not meet REQUIREMENTS FOR THE Yellow Standard will be scored "Red". | | Goal | Achieved | SB | 27.77 | 29.45 | SDB | 5 | 8.85 | WOSB | 5 | 4.81 | HUBZone | 3 | 3.28 | SDVOSB | 3 | 3.39 | <table border="1" data-bbox="1073 178 1346 410"> <thead> <tr> <th></th> <th>Goal</th> </tr> </thead> <tbody> <tr> <td>SB</td> <td>28.70</td> </tr> <tr> <td>SDB</td> <td>5</td> </tr> <tr> <td>WOSB</td> <td>5</td> </tr> <tr> <td>HUBZone</td> <td>3</td> </tr> <tr> <td>SDVOSB</td> <td>3</td> </tr> </tbody> </table> | | Goal | SB | 28.70 | SDB | 5 | WOSB | 5 | HUBZone | 3 | SDVOSB | 3 |  Color |
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1. Department of Veterans Affairs (VA) has implemented a strategy to increase the number of competitively awarded contracts to small businesses?

For Fiscal Year 2009, VA's Office of Small and Disadvantaged Business Utilization (OSDBU) intends to conduct on-site small business programs training for acquisition professionals, program officials and purchase card holders at no less than three (3) Veterans Integrated Service Networks (VISN). VISNs are part of the Veterans Health Administration, which accounts for the majority of VA's contracting activities and transactions, spending approximately 98 percent of the \$11.7 billion reported by VA in FY 2007. A VISN typically consists of 6-8 medical centers. We intend to provide in-depth training on all small business programs, with an emphasis on service-disabled veteran-owned small business (SDVOSB) and veteran-owned small business (VOSB) programs in support of VA's implementation of Public Law (P.L.) 109-461. P.L. 109-461 provides VA with unique and extraordinary contracting authorities in contracting with veteran entrepreneurs. P.L. 109-461 also establishes a statutory small business hierarchy within VA that places SDVOSBs and VOSBs, first and second respectively, in all VA open market acquisitions, ahead of the Section 8(a) Business Development Program and the Historically Underutilized Business Zone (HUBZone) Program. The proposed training is the same number of facilities we proposed training for FY 2008; however, OSDBU actually doubled the number of facilities trained. Some training sites have been selected; however, specific dates have not yet been established. When training dates and locations are confirmed, invitations will be extended to local officials from the U.S. Small Business Administration (SBA). VA OSDBU contemplates the proposed FY 2009 training to be completed by August 31, 2009.

VA OSDBU continues to hold its monthly vendor counseling session, where information is provided to firms wishing to conduct business with VA. Internally, these sessions are viewed as "VA 101" whereby small businesses are briefed on VA's organizational structure, mission, acquisition operations and opportunities, as well as marketing techniques, etc. The sessions are designed to prepare the small business for marketing VA so that valuable time spent with program officials is not taken up with asking questions about the organization's structure, mission and acquisition operations. Program officials from various program areas and technical disciplines attend these events and impart information about program requirements, VA's strategic direction, and potential acquisition opportunities. In addition, attendance by program officials also allows attendees to network and present their corporate capabilities to these individuals. These events are held the third Wednesday of each month, with the exception of December. The event is advertised on the VA OSDBU Web Site (www.va.gov/osdbu) which is also where participants much register for the event. VA limits attendance to 40 individuals due to space restrictions, and this event is often booked up more than a month in advance. VA consistently receives positive feedback from attendees as to the value and quality of the event. VA has found that many attendees were recommended to attend the session by previous attendees who found the information very helpful in marketing VA and contributing to their understanding of Federal small business programs and acquisition procedures.

VA OSDBU is working with VA's Office of Construction and Facilities Management to hold an industry day specific to veteran-owned businesses in the construction field. Funding and workload of the program office, as well as logistics and timing prevented this event, originally contemplated for FY 2008, from being held as hoped. A commitment has been secured with the program office to hold this event in FY 2009.

VA and the Department of the Army will co-host, along with the Veterans Small Business Federal Interagency Council, the 5th Annual National Veterans Conference in Las Vegas, NV, June 22-26, 2009, with the Department of the Army (www.nationalveteransconference.com). This conference has grown in attendance from 200 the first year to over 1,800 attendees in 2008 and has become the premiere conference event for veteran entrepreneurs. VA devotes significant resources to planning, staging and hosting this event each year.

VA is the host Department/Agency with responsibility for planning the FY 2009 (19th Annual) OSDBU Directors' Federal Interagency Council Procurement Conference held the third Thursday of each April. This event is the largest small business conference of its kind in the Nation each year, with attendees traveling from across the country to the Washington Metropolitan Area to participate each year. Nearly 3,000 individuals participate. VA devotes a significant amount of time and resources to ensuring the success of this event, providing speakers, subject matter experts for conducting training sessions on small business programs, one-on-one counseling and matchmaking sessions. The FY 2009 planning will be far more challenging than previous years', as the conferences venue will be changing because the number of participants has grown so large.

VA's OSDBU and Acquisition Policy Division, Office of Acquisition and Logistics, continue to work together to provide guidance and assistance to VA contracting professionals. VA's OSDBU has provided a subject matter expert (SME) to work with the Federal Acquisition Institute (FAI) in developing small business program course material. The course has been completely developed in draft now and OSDBU's SME is working with FAI on the final revisions and actual test materials.

2. VA continues to demonstrate top-level commitment to small business contracting

VA's OSDBU Director has unprecedented access to the Deputy Secretary and Secretary, meeting with the Deputy Secretary at least bi-weekly. In addition, the Deputy Secretary conducts a Monthly Performance Review (MPR) Meeting with senior VA officials in attendance, including all Under Secretaries, Assistant Secretaries, Principal Deputy Assistant Secretaries and Deputy Assistant Secretaries and those designated as key VA officials. Socioeconomic programs and accomplishments are key performance measures for the department (included in VA's Strategic Plan) and are reviewed at that time. OSDBU compiles socioeconomic accomplishment data on a slide, which is reviewed at each Monthly Performance Review Meeting.

VA also posts its socioeconomic accomplishments to the VA OSDBU Web Site each month (www.va.gov/osdbu) breaking down dollars by major contracting organization/activity and socioeconomic programs. We will continue to post our socioeconomic accomplishments on this website.

On June 20, 2007, VA implemented Sections 502 and 503 of the Veterans Benefits, Healthcare and Information Technology Act of 2006, (P.L. 109-461) (38 U.S.C., Sections 8127 and 8128), providing VA with extraordinary authorities in contracting with Service-Disabled Veteran-Owned Small Business and Veteran-Owned Small Business. This program was implemented as the "Veterans First Contracting Program" by the Office of Acquisition and Materiel Management Information Letter (IL) 049-07-08 dated June 19, 2007. Accompanying that IL was a cover memorandum from the Deputy Secretary expressing his support of this program. In FY 2009, VA will issue further memoranda and correspondence from the Secretary of Veterans Affairs and the Deputy Secretary of Veterans Affairs, expressing their commitment to maximizing opportunities for small businesses in VA acquisitions.

VA's top level commitment to small businesses is further demonstrated through the continuance of the Secretary's Socioeconomic Achievement Awards Program. The Secretary's Socioeconomic Achievement Awards Program, established in 1987 by the last Administrator of Veteran Affairs, provides incentives to VA procuring activities to increase socioeconomic accomplishments through recognizing and rewarding those activities which substantially contribute to VA's overall socioeconomic accomplishments. Handsomely inscribed plaques bearing the Secretary's signature are presented to VA acquisition activities for first place achievements in each of the seven socioeconomic categories recognized by the awards program: Small Business, Small Disadvantaged (minority) Business, Section 8(a) Small Disadvantaged Business Development, Women-Owned Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small Business, and HUBZone Small Business. Plaques are also presented for Superior Support and Outstanding Support of Small Business Programs. These organizations exceed the Secretary's goals in 6 or 7 of the 7 socioeconomic categories (Superior Support) or exceed the Secretary's goals in 5 of 7 categories (Outstanding Support). These awards are presented in arrears given the time required to compute the Department's socioeconomic accomplishments via the final goaling report for the fiscal year.

Framed Certificates of Commendation are presented for second and third place winners. Awards are presented by the Secretary at an annual Socioeconomic Achievement Awards Ceremony held at VA Central Office, and during trips to VA facilities as the Secretary's and Deputy Secretary's respective travel schedules permit.

Annually, the Secretary issues a memo, outlining the socioeconomic goals for VA and stressing their importance. On January 28, 2008, the Secretary issued the attached Fiscal Year 2008 and 2009 goaling memo, which has been posted to the VA OSDBU Web Site (www.va.gov/osdbu). SBA recently recognized this as a best practice. For FY 2009, VA will issue additional memoranda from the Secretary, reinforcing the Secretary's and Deputy Secretary's commitment and support for maximizing opportunities for small businesses in VA acquisitions.

VA includes accomplishment of socioeconomic goals for Service-Disabled Veteran-Owned Small Business and Veteran-Owned Small Business in the performance plans of all individuals involved in the procurement process, to include acquisition professionals, program officials, contracting officer's technical representatives, VA executives and Purchase Card holders. This is part of VA's Implementation Strategy for Executive Order 13360 (October 20, 2004), the Service-Disabled Veteran Executive Order.

VA OSDBU is dedicated to supporting the small business community and plans to provide support for over 50 conferences nationally in FY 2009, subject to the availability of funding. VA's commitment to these types of events is evidenced by the many and wide variety of events attended and supported by VA each year.

3. Planned significant events to increase small business participation in the procurement process during the period.

Many of the actions listed in Item No. 1 of this plan will assist VA OSDBU in its efforts to increase small business participation. VA OSDBU plans to continue to hold its vendor counseling sessions monthly, to co-host the 5th Annual National Veterans Business Conference, participate fully in the annual OSDBU Director's Procurement Conference, to provide guidance, training and assistance to both the vendor community, VA acquisition professionals, and to support small business conferences nationally. VA also pledges its support to assist SBA in SBA-sponsored outreach events, matchmaking events and other activities consistent with available resources, and to participate in meetings of the Small Business Procurement Advisory Council.

4. Demonstrate that small business data is accurately reported in Federal Procurement Data System-Next Generation (FPDS-NG) during the period.

On August 7, 2007, VA's Office of Acquisition and Logistics (formerly the Office of Acquisition and Materiel Management) issued Information Letter (IL) Number 049-07-09, "Federal Procurement Data System (FPDS) Data Verification and Validation," in response to the March 9, 2007, Memorandum for Chief Acquisition Officers, subject "Federal Procurement Data Verification and Validation." In addition, VA's OSDBU monitors socioeconomic reporting for anomalies in preparing the Department's monthly socioeconomic program reports.

5. Demonstrates that policies and procedures are in place to ensure compliance with subcontracting plans and attainment of subcontracting goals during the period.

VA OSDBU has a subcontracting team, consisting of two senior Small Business Specialists, who work solely with VA contracting professionals and the vendor community on subcontracting plans. They also work closely with officially assigned SBA Procurement Center Representatives (PCR), when applicable; to review proposed goals and review required reports. VA OSDBU's subcontracting team members routinely attend meetings and briefings relative to e-SRS and disseminate information to the VA Acquisition professionals in a timely manner.

6. Demonstrated no unjustified bundling has taken place during the period.

VA OSDBU conducts small business program reviews and approves or disapproves all open market acquisition strategies in excess of \$500,000 for field activities and \$100,000 for Central Office activities. In VA, a bundling review is automatically initiated at the threshold of \$1,000,000, regardless of acquisition strategy to include FSS, GWACS, MACs, etc. This is one-half of the threshold prescribed in the FAR, thereby ensuring VA OSDBU is reviewing more procurements than required by regulation. VA OSDBU is a voting team member on every Integrated Process Team (IPT), which is formed for every procurement at Central Office in excess of \$5,000,000. This ensures small business issues are brought to the forefront of each of these requirements, and bundling issues can be addressed very early on in developing the acquisition and the resulting acquisition strategy.

Attached is VA Form 2268, Procurement Request Review for the Small Business Program and Contract Bundling Review. This form is used throughout VA for submission to the respective Head of the Contracting Activity (HCA), SBA PCR, or in the absence of a PCR, to the VA OSDBU. The form is required for all open market acquisitions exceeding the micropurchase threshold. Between the micropurchase threshold and the simplified acquisition threshold, the local small business specialist can approve the 2268, unless a small business program is not used, in which case the form must be approved by the HCA. All open market acquisitions exceeding \$500,000 from VA field contracting activities (\$100,000 for VA Central Office Contracting Activities) must be submitted to VA's OSDBU or the assigned SBA PCR for a small business program review. Unless contained on an approved list of acquisitions excluded from contract bundling reviews, all acquisitions, regardless of method, e.g., FSS, GWACS, MACs, etc., with values of \$1 million or greater must be submitted to VA OSDBU for a contract bundling review in accordance with Information Letter No. 049-04-5 dated March 3, 2004, "Contract Bundling Reviews," attached.

7. Planned training to contracting staff/managers in executing small business/socioeconomic procurements during the period.

VA OSDDBU plans to conduct on-site training on small business programs for no less than three Veterans Integrated Service Networks (VISN), as conducted in Fiscal Year 2008. A VISN typically consists of 6-8 medical centers. We intend to provide in-depth training on all small business programs to VA acquisition professionals, program officials and purchase card holders, with a more focused effort placed on contracting with SDVOSBs and VOSBs, consistent with the hierarchy established by P.L. 109-461. The Chief Clinical Logistics Officer for the Veterans Health Administration recently identified to VA OSDDBU VISNs to receive this training. Although exact training sites, dates and logistics have not been finalized as of this supplemental submission, VA OSDDBU contemplates the training to be completed by August 30, 2009. When training dates/locations are finalized, invitations will be extended to officials from SBA's local offices.

VA also provides small business program training at the numerous events in which VA OSDDBU personnel are featured speakers, such as training events hosted by Procurement Technical Assistance Centers and Small Business Development Centers.

VA OSDDBU is working with the Acquisition Policy Division, Office of Acquisition and Logistics to review and revise written guidance relative to socioeconomic programs. Training on the revised guidance will be provided to assist VA acquisition professionals.

In FY 2009, VA OSDDBU will continue its participation in an interagency work group headed by the Federal Acquisition Institute (FAI) for the development of an on-line small business training course for Federal acquisition professionals and program managers.

8. Plans to collaborate with SBA on formulation of small business procurement policy initiatives during the period.

VA will collaborate with and support SBA on formulations of small business procurement policy initiatives during the period, and views SBA as a partner and instrumental to the success of VA programs. VA participates at each SBA Procurement Advisory Council Meeting, has volunteered its services for the Executive Goaling Committee and supports SBA initiatives before the Federal OSDDBU Directors Interagency Council, a non-policy working group that shares best practices to fully embrace small business initiatives.

During FY 2009 VA will complete an initiative with the Associate SBA Administrator for the HUBZone Program that will educate Veteran entrepreneurs about the HUBZone Program and will hopefully increase the number of HUBZone Certified firms. This initiative will be conducted using VA OSDDBU resources and closely coordinated with the SBA's HUBZone Program officials. VA has hired an intern to support this initiative.

9. Agency submits all strategic plans and reports that become due to SBA during the reporting period.

VA will continue to timely submit all required reports to SBA. VA has received no communications from SBA that required submissions, re-submissions or otherwise notified us of deficiencies with previous submissions/requirements.



DEPARTMENT OF VETERANS AFFAIRS
DEPUTY ASSISTANT SECRETARY FOR ACQUISITION AND MATERIEL MANAGEMENT
WASHINGTON DC 20420

IL 049-04-5
March 3, 2004

OFFICE OF ACQUISITION AND MATERIEL MANAGEMENT INFORMATION LETTER

TO: Under Secretaries for Health, Benefits, and Memorial Affairs; Assistant Secretary for Management; Chief Facilities Management Officer, Office of Facilities Management; Veterans Integrated Service Network Directors; Directors, VA Medical Center Activities, Domiciliary, Outpatient Clinics, Medical and Regional Office Centers, and Regional Offices; Directors, Denver Distribution Center, Austin Automation Center, Records Management Center, VBA Benefits Delivery Centers, and the VA Health Administration Center; and the Executive Director and Chief Operating Officer, VA National Acquisition Center

ATTN: Head of the Contracting Activity, VA Contracting Officers

SUBJ: Contract Bundling and Contract Bundling Reviews

1. This Information Letter provides guidance on the Federal Acquisition Regulation (FAR) final rule for implementing contract bundling initiatives in the Department of Veterans Affairs (VA). This FAR final rule was published in the Federal Register and became effective October 20, 2003.
2. Contract bundling is defined as consolidating two or more procurement requirements for goods or services previously provided or performed under separate, smaller contracts into a solicitation of offers for a single contract that is unlikely to be suitable for award to a small business concern. Attachment 1 is a memo from Secretary Principi noting that VA must mitigate contract bundling to the maximum extent possible.
3. When considering bundling of requirements, the contracting officer must avoid unnecessary and unjustified bundling and take efforts to mitigate the negative impact that contract bundling has on small business concerns. To justify contract bundling, there must be "measurably substantial benefits," such as cost savings, quality improvements, reduction in acquisition cycle times, or better terms and conditions than would result from an unbundled acquisition. The benefits of contract bundling must be quantified, along with an explanation how these benefits would be measurably substantial.
4. Contracts with an estimated value of \$1 million and above, including options, task and delivery orders valued at \$1 million and above, and blanket purchase agreements (BPAs) in excess of \$1 million, will require a contract bundling review by the Office of Small and Disadvantaged Business Utilization (OSDBU) or the Small Business Administration (SBA) Procurement Center Representative (PCR), where one is officially

2.

IL 049-04-5

March 3, 2004

assigned. Also, reviews are applicable to single and multiple award contracts, multi-agency contracts (MACs), and orders placed under Government-Wide Acquisition Contracts (GWACs), and the General Services Administration's (GSA) Multiple Award Schedule Program.

5. The requirement to submit VA Form 2268, Record of Procurement Request Review for the Small Business Programs and Contract Bundling, is revised to include review of sources listed in FAR Subpart 8.404(a)(2)(i)(ii). A copy of the revised VA Form 2268 is provided as Attachment 2.

6. VA contracting officers are to comply with FAR Part 7, Acquisition Planning, and ensure that these additional procedures are followed when considering necessary and justified contract bundling:

a. Contracting officers shall:

(1) Perform market research to determine whether bundling is necessary and justified for all new contracts and prior to exercising option years on existing contracts that had not previously undergone a contract bundling review. The market research shall include the publishing in the single Government point-of-entry (GPE) for Federal Government procurement opportunities over \$25,000 (www.FedBizOpps.gov) of a notice of intent to procure a bundled contract with an estimated value of \$1 million and above, including options, as well as task and delivery orders valued at \$1 million and above under MACs, GWACs, and GSA's Multiple Award Schedules. This notice shall allow 15 calendar days for comments from the public. Comments received shall be forwarded to OSDDBU with all other market research documentation.

(2) Obtain the approval of OSDDBU representative (or the SBA PCR, where one has been formally designated) on the proposed bundled acquisition strategy. This approval shall be obtained by submitting VA Form 2268, Record of Procurement Request Review for the Small Business Programs and Contract Bundling. Prepare and submit to OSDDBU or PCR in accordance with the instructions on the form, and include all documentation relative to the market research and cost benefit analysis.

(3) An approved 2268 must be obtained prior to final synopsis and release of solicitation.

(4) A Contract Bundling Checklist has been included as Attachment 3.

3.

IL 049-04-5

March 3, 2004

b. Heads of Contracting Activities shall:

(1) Hold acquisition professionals accountable for maximizing small business participation in all procurements.

(2) Review and provide a signed (by HCA) copy of VA Form 2268 to OSDBU on any solicitation being submitted for review.

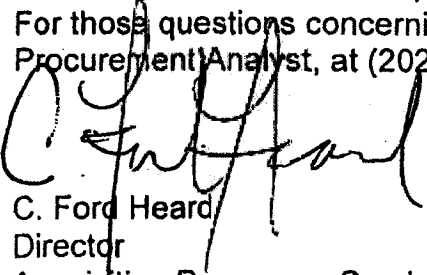
(3) Reinforce acquisition planning in accordance with FAR Part 7.

(4) Ensure that national contracting activities, national standardization programs, and prime vendor programs consider the impact of any bundling that might affect small business participation and encourage acquisition strategies that maximize prime and subcontracting opportunities for small businesses.

(5) Strengthen the monitoring and enforcement of subcontracting plans by the contracting officers/contract administrators in cooperation with OSDBU.

7. OSDBU will perform the bundling reviews within 15 working days of receiving a complete contract bundling packet. Non-receipt of a completed review within this time frame does not constitute concurrence. Nothing in this document shall negate the requirements under Class Deviation to VAAR Subpart 819.502-70, and those procedures must be followed for unbundled procurements. A dispute between OSDBU/PCR and the contracting officer shall be resolved by the Senior Procurement Executive (SPE).

8. If you have any questions concerning the bundling review process and procedures, contact Deborah Van Dover, OSDBU Senior Procurement Analyst, at (202) 565-7795. For those questions concerning policy, contact Paulette Creighton, OA&MM Senior Procurement Analyst, at (202) 273-8821.



C. Ford Heard
Director
Acquisition Resources Service

Attachments

Distribution: RPC 7029



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

June 10, 2003

MEMORANDUM FOR UNDER SECRETARIES, ASSISTANT SECRETARIES, AND
OTHER KEY OFFICIALS

SUBJECT: Strategies to Mitigate Effects of Contract Bundling on Small Businesses

This memorandum is directed to all Department of Veterans Affairs (VA) organizations, but especially to those that have significant small business procurement challenges and/or opportunities.

VA is committed to the President's initiative of supporting small business in the Federal acquisition process. As a result of the Office of Federal Procurement Policy's October 2002 report, *Contract Bundling, A Strategy for Increasing Federal Contracting Opportunities for Small Business*, the Office of Management and Budget (OMB) requires each executive branch agency to develop a nine-point action plan to eliminate unnecessary contract bundling:

Contract bundling is the consolidating of two or more procurement requirements for goods or services previously provided or performed under separate, smaller contracts into a solicitation of offers for a single contract. This type of contract is unlikely to be suitable for award to a small business concern. The action plans that agencies develop will help to mitigate the effects of unnecessary contract bundling on small businesses. VA will submit quarterly progress reports to OMB on our implementation efforts.

All VA organizations shall ensure that their contracting opportunities are not unnecessarily bundled to the exclusion of small business participation. In order to achieve this goal, each organization must include strategies for mitigating the effects of contract bundling on small businesses in its Small Business Improvement Plan. This plan is due to the Office of Small and Disadvantaged Business Utilization annually by August 1.

Mr. C. Ford Heard, Office of Acquisitions, and Mr. Wayne Simpson, Office of Small and Disadvantaged Business Utilization, are available to answer any questions you or your staff may have about this new requirement. You may reach Mr. Heard at 202-273-8815 and Mr. Simpson at 202-565-8131.

A handwritten signature in cursive script, reading "Anthony J. Principi".
Anthony J. Principi

**PROCUREMENT REQUEST REVIEW FOR THE SMALL BUSINESS PROGRAM AND CONTRACT BUNDLING**

| 1. CONTRACTING ACTIVITY INFORMATION | | 2. DATE OF PURCHASE REQUEST | 3. ESTIMATED DOLLAR VALUE | | OSDBU CONTROL NUMBER |
|---|---|---|--|-------------------------|----------------------|
| A. NAME OF CONTRACTING ACTIVITY | | | A. THIS F.Y. | B. TOTAL CONTRACT VALUE | |
| C. STREET ADDRESS | | 4. PERIOD OF PERFORMANCE (Include all option years) | | | |
| C. CITY | D. STATE | E. ZIP CODE | 5. DESCRIPTION OF SUPPLIES OR SERVICES | | |
| F. TELEPHONE NUMBER | G. FAX NUMBER | | | | |
| 6A. SIGNATURE AND PRINTED NAME OF CONCURRING SMALL BUSINESS OFFICE SPECIALIST FOR CONTRACTING ACTIVITY | | | | 6B. DATE OF CONCURRENCE | |
| CONTRACTING OFFICE | | | | | |
| 7. SOLICITATION NUMBER | 8. ANTICIPATED DATE OF RELEASE | 9. ANTICIPATED DATE OF RESPONSE/BID OPENING | 10. NAICS CODE AND SMALL BUSINESS SIZE STANDARDS | | |
| 11. PROPOSED METHOD OF PROCUREMENT | | | | | |
| <input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED BUSINESS SET-ASIDE | | | | | |
| <input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED BUSINESS AS SOLE SOURCE | | | | | |
| <input type="checkbox"/> VETERAN OWNED SMALL BUSINESS SET-ASIDE | | | | | |
| <input type="checkbox"/> VETERAN OWNED SMALL BUSINESS SOLE SOURCE | | | | | |
| <input type="checkbox"/> 8(A) COMPETITION | | | | | |
| <input type="checkbox"/> 8(A) SOLE SOURCE | | | | | |
| <input type="checkbox"/> HUBZONE COMPETITION | | | | | |
| <input type="checkbox"/> HUBZONE SOLE SOURCE | | | | | |
| <input type="checkbox"/> 100% SMALL BUSINESS SET-ASIDE | | | | | |
| <input type="checkbox"/> PARTIAL SMALL BUSINESS SET-ASIDE: \$ _____ | | | | | |
| <input type="checkbox"/> TASK/DELIVERY ORDER AGAINST EXISTING CONTRACT VALUE: \$ _____ | | | | | |
| <input type="checkbox"/> UNRESTRICTED-INSUFFICIENT SMALL BUSINESS (Attach justification, proposed subcontracting amounts and evaluation preference for SDVOSBs and VOSBs) | | | | | |
| 12. FAR PART 5 - PUBLICIZING CONTRACT ACTIONS - HAS THIS REQUIREMENT BEEN ADVERTISED? | | | | | |
| <input type="checkbox"/> PRESOLICITATION NOTICE/PROCUREMENT | | | | | |
| <input type="checkbox"/> MODIFICATION OF PREVIOUSLY ANNOUNCED PROCUREMENT ACTION | | | | | |
| <input type="checkbox"/> SOURCES SOUGHT (Includes A-76 Services Architect-Engineer contracts) | | | | | |
| 13. PROPOSED ISSUING NUMBER OF SOLICITATIONS TO: (Provide actual number) | | | | | |
| _____ SERVICE DISABLED VETERAN-OWNED SMALL BUSINESS _____ 8(A) _____ WOMEN-OWNED SMALL BUSINESS _____ LARGE BUSINESS | | | | | |
| _____ VETERAN-OWNED SMALL BUSINESS _____ HUBZONE _____ SMALL BUSINESS | | | | | |
| 14. IMPORTANT: Contract bundling checklist (VA Form 2268a) must be submitted with VA Form 2268 for all procurements in excess of \$1,000,000. | | | | | |
| PROCUREMENT HISTORY | | | | | |
| 15. HAS ITEM/SERVICE BEEN PREVIOUSLY AWARDED? | 16. PERIOD OF PERFORMANCE | 17. CONTRACT NO. | 18. NAICS CODE AND SMALL BUSINESS SIZE STANDARDS | | |
| <input type="checkbox"/> YES (Complete Items 16 thru 18) | | | | | |
| <input type="checkbox"/> NO (Skip to Item 19) | | | | | |
| 19A. NAME AND ADDRESS OF CONTRACTOR(S) | 19B. BUSINESS TYPE | 20. TOTAL DOLLAR VALUE OF PAST PROCUREMENT | 22. NUMBER OF RESPONSES FROM MOST RECENT PROCUREMENT | | |
| | <input type="checkbox"/> SDVOSB <input type="checkbox"/> WOSB | \$ _____ | _____ 8(a) _____ WOMEN OWNED | | |
| | <input type="checkbox"/> VOSB <input type="checkbox"/> SB | | _____ HUBZone _____ SMALL BUSINESS | | |
| | <input type="checkbox"/> 8(A) <input type="checkbox"/> LARGE | | _____ SDVOSB _____ | | |
| | <input type="checkbox"/> HUBZONE | | _____ VOSB _____ LARGE BUSINESS | | |
| 23A. PRINT NAME AND SIGNATURE OF CONTRACTING OFFICER | 23B. DATE SIGNED | 24A. SIGNATURE OF HEAD OF CONTRACTING ACTIVITY | | 24B. DATE SIGNED | |
| 25. INFORMATION SUBCONTRACTING GOALS | | | | | |
| _____ % VETERAN-OWNED SMALL BUSINESS _____ % HUBZONE SMALL BUSINESS _____ % SMALL BUSINESS | | | | | |
| _____ % SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS _____ % SMALL DISADVANTAGED BUSINESS _____ % WOMEN-OWNED SMALL BUSINESS | | | | | |
| 26A. SIGNATURE OF VA OSDBU REPRESENTATIVE | | 26B. DATE SIGNED | 26C. EXPIRATION DATE OF VA FORM 2268 | | |

INSTRUCTIONS

If procurement is over \$2,500 and under \$100,000 - No form required if a small business program is used. If small business program is not used, form must be completed and signed by Head of Contracting Activity. Field activities shall submit this form to the Office of Small and Disadvantaged business Utilization (OSDBU) if procurement is estimated to exceed \$500,000. Central Office activities shall submit this form for all actions exceeding \$100,000 to OSDBU. All FSS buys over \$1M shall be recorded on VA Form 2268, and then submitted to OSDBU for approval. Decisions to solicit competition from all contractors on an indefinite delivery vehicle shall be reported to OSDBU on VA Form 2268 and submitted for review and approval prior to soliciting offers.

- Item 1 Provide the name and location of the contracting activity. If a consolidated contracting activity, then provide the name and location of the consolidated contracting activity.
- Item 2 Date of purchase request.
- Item 3 Estimated dollar value for this fiscal year and total contract value.
- Item 4 Period of performance, to include all option years.
- Item 5 Provide a description of supplies and/or services.
- Item 6 Concurrence of activity Small Business Specialist signified by signing name and dating.
- Item 7 Provide the solicitation number.
- Item 8 Anticipated date of release of solicitation.
- Item 9 Anticipated date of response/bid opening.
- Item 10 Enter applicable NAICS and small business size standard.
- Item 11 Check the applicable method(s) of procurement.
- Item 12 Check correct information regarding publicizing.
- Item 13 Enter proposed number of solicitations to be issued and to the appropriate business groups listed.
- Item 14 Bundling checklist is required to be submitted for all procurement in excess of \$1M.
- Item 15 Check either "YES" or "NO" regarding procurement history of supplies and/or services.
- Item 16 Enter period of performance for past procurement.
- Item 17 Enter contract number for past procurement.
- Item 18 Enter NAICS and small business size standard for past procurement.
- Item 19 Enter name, address and business type of contractor(s) for past procurement.
- Item 20 Enter total dollar value of past procurement.
- Item 21 Enter method of procurement used in past.
- Item 22 Enter number of responses, by business type, relative to most recent procurement.
- Item 23 Signature of Contracting Officer and date signed.
- Item 24 Signature of Head of Contracting Activity (HCA) and date signed.
- Item 25 Subcontracting goals, entered by OSDBU, and to be listed in the solicitation.
- Item 26 Signature of VA OSDBU representative, date signed, and expiration date of VA Form 2268.

**CONTRACT BUNDLING CHECKLIST**

NOTE: This checklist serves as a quick reference source for the members of the acquisition strategy team. Please include this checklist with the required documentation sent to OSDDBU.

| NO. | QUESTION | ANSWER |
|-----|---|--|
| 1. | Does the requirement exceed \$1 million? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 2. | Will this requirement result in a consolidated or bundled contract? See FAR 2.101 | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3. | If the requirement is bundled, did the team avoid unnecessary and unjustified bundling? See FAR 7.103(s)(2) | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 4. | Did the team document in the plan of action any potential impact on Small Business? See FAR 7.105(b)(1) | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 5. | Before issuing the solicitation, did the team conduct a benefit analysis? See FAR 7.107(e) | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 6. | If the requirement is bundled, are the benefits "Measurably Substantial?" See FAR 7.107(b) | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 7. | Are reductions in either administrative or personnel costs the basis for the benefit analysis? See FAR 7.107(d) | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 8. | If the benefit analysis did not meet the FAR criteria, is the procurement mission critical? see FAR 7.107(c) | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 9. | Was notice of intent synopsized? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 10. | Were comments received? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 11. | Were alternatives considered and noted in the contracting officer's justification for bundling? See FAR 7.107(e)(6) and 7.107(f) | <input type="checkbox"/> YES <input type="checkbox"/> NO |